

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7338

BILL NUMBER: HB 1784

DATE PREPARED: Feb 19, 1999

BILL AMENDED: Feb 18, 1999

SUBJECT: Indiana Child Protection Trust License Plate.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill requires the Bureau to issue an Indiana Child Protection Trust License Plate. It requires the additional fee required for the Indiana Child Protection Trust License Plate to be deposited in the Indiana Child Protection Trust Fund and distributed to an organization established to raise funds for child adoption agencies, crisis pregnancy centers, Indiana Citizens for Life, and Indiana Right to Life.

Effective Date: January 1, 2000.

Explanation of State Expenditures: (Revised) Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, would charge the BMV \$2.60 per plate if the newly created plate is not a special recognition plate. Since the newly created license plate is a special recognition plate, PEN Products' charge would be based on the number of colors in the design as shown in the schedule below:

Colors	Set-Up Charges	Price Per Plate (99-01)*
1	\$105	\$3.90
2	170	4.00
3	235	4.10
4	300	4.30
5	365	4.60
6	430	5.00

*1999-2001 biennium.

Additional charges include \$75 per color for any special colors that are not included in PEN's ten standard colors. If PEN Products does the artwork, there is a \$70 per hour charge. Origination Fees include the film positives and the silk screen charges. The fund affected for PEN Products is PEN Products Revolving Fund. The fund affected for the BMV is the Motor Vehicle Highway Account which supports the BMV. There will

computer and accounting changes for the BMV. The Commissioner of the BMV is to administer the newly created trust fund. Expenses of administering the fund shall be paid from money in the fund. On June 30 of each year, the Commissioner shall distribute the money in the fund to Crisis Pregnancy Centers, Child adoption agencies, Indiana Citizens for Life, and Indiana Right to Life. The organizations receiving money from the sale of the newly created license plate may retain the reasonable costs of administering the program.

Explanation of State Revenues: (Revised) Potential revenue from the sales of the Child Protection Trust license plates is not known. There will be an administrative fee of \$12 charged for each plate. Revenue from these plates will be split evenly between the State License Branch Fund which supports the license branches and the Motor Vehicle Highway Account which supports the BMV. Also, there will be a \$25 fee charged for each plate. This revenue is to be deposited into the Indiana Child Protection Trust Fund.

In 1998, sales of the existing 41 special plates ranged from 47 Marine Reserve plates to 79,997 Children's Trust Plates. Within this potential sales range, revenue resulting from the existing \$12 administrative fee ranged from \$282 to \$479,982 per plate. Revenue resulting from the \$25 fee would range between \$1,175 and \$1,999,925. Money at the end of a state fiscal year does not revert to the State General Fund.

It should be noted that it is possible that sales of this special plates could, to some extent, supplant the sales of the other special plates. The newly created plate will be available after December 31, 1999.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Department of Correction (Pen Products).

Local Agencies Affected:

Information Sources: Bureau of Motor Vehicles; Becky Gillam, Director of Sales and Marketing of PEN Products, 387-2020; Pricing data from Pen Products.